

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 19506 120701Z

ACTION EA-12

INFO OCT-01 ISO-00 EB-08 TRSE-00 OMB-01 AID-05 IGA-02

L-03 H-01 PA-01 PRS-01 USIA-06 /041 W

-----015839 120704Z /21

R 120347Z DEC 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9062

USDOC WASHDC

LIMITED OFFICIAL USE MANILA 19506

USDOC FOR MAJOR PROJECTS DIVISION

E.O. 11652: N/A

TAGS: BTION, RP

SUBJECT: MARCOS LIMITS CIVIL WORKS PORTION OF PUBLIC WORKS
PROJECTS TO PHILIPPINE COMPANIES

REF: MANILA 18630

1. EMBTEL REPORTED THAT PRESIDENT MARCOS ISSUED LETTER OF INSTRUCTION NO. 630 LIMITING BIDDING ON GOP CIVIL WORKS CONTRACTS TO COMPANIES WITH AT LEAST 75 PERCENT FILIPINO EQUITY. A PHILIPPINE COMPANY IS GENERALLY DEFINED, WITH A FEW EXCEPTIONS, AS 60 PERCENT FILIPINO WITH 40 PERCENT FOREIGN EQUITY ALLOWED.

2. WE HAVE NOW LEARNED THAT LOI 630 WAS INSTIGATED BY RUDOLFO CUENCA OF CONSTRUCTION AND DEVELOPMENT CORPORATION OF THE PHILIPPINES (CDCP) AGAINST HIS COMPETITOR, ATLANTIC, GULF & PACIFIC (AG&P). CDCP IS A GOP FOSTERED AND FAVORED CORPORATION WHICH IS CARRYING OUT THE MANILA BAY RECLAMATION AND MANY OTHER MAJOR PROJECTS IN THE PHILIPPINES. CUENCA IS CLOSELY LINKED WITH THE MARCOSES THROUGH CDCP AND OTHER BUSINESS ENTERPRISES. AG&P WAS FORMERLY AN
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 19506 120701Z

AMERICAN-OWNED COMPANY AND STILL RETAINS 29.1 PERCENT AMERICAN OWNERSHIP.

3. AG&P IS RESORTING TO A "FILIPINO SOLUTION;" IT IS ASKING ITS AMERICAN PARTNERS TO REDUCE THEIR SHARE TO 25 PERCENT. AG&P FINDS CDCP'S ATTEMPT CRUDE AND COUNTERPRODUCTIVE AND BELIEVES THAT OTHER PHILIPPINE

COMAPNIES WILL EVENTUALLY PROTEST CDCP'S DRIVE TO GET
THE LION'S SHARE OF THE GOVERNMENT BUSINESS. AG&P
ITSELF THINKS IT IS COMPETITIVE AND SAYS IT WILL REMAIN
IN THE COMPETITION.
NEWSOM

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 12-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA19506
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770461-0558
Format: TEL
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771266/aaaacegy.tel
Line Count: 67
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: db8c3806-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 MANILA 18630
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 24-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 272500
Secure: OPEN
Status: NATIVE
Subject: MARCOS LIMITS CIVIL WORKS PORTION OF PUBLIC WORKS PROJECTS TO PHILIPPINE COMPANIES
TAGS: BTIO, RP
To: STATE COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/db8c3806-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009